

(iii) Any Market Hogs available for sale and delivery by Producer in excess of the amount in subsection (ii) above may be sold by Producer to anyone else except as to those Market Hogs for which Morrell has exercised its Purchase Right as described in Section 3(c) of this Agreement.

(b) Producer hereby grants to Morrell the first right to purchase all of Producer's Total Production of Market Hogs in excess of the number of Market Hogs otherwise intended by Producer to be delivered and sold to Morrell under the terms of this Agreement. Producer represents and warrants to Morrell that it has, as of the date of this Agreement, no outstanding rights, options or other contractual obligations pursuant to which it is or may be obligated to sell Market Hogs to any person or entity other than Morrell at any time during the Term or any renewed or extended term of this Agreement and that Producer's grant to Morrell of the right described in this Section 3(b) does not violate, conflict with, or constitute a default under, the terms of any other agreement, commitment, instrument or understanding, written or oral, to which Producer is a party or Producer's Market Hogs may be bound. During the Term, Producer shall be entitled to sell, grant or otherwise convey such rights or options to other purchasers of Market Hogs, provided that in connection with each such sale, grant or other conveyance, Producer (1) gives prior written notice to Morrell, (ii) furnishes Morrell with true, accurate and complete copies of all documentation relating directly or indirectly to such sale, grant or other conveyance, and (iii) the documentation relating to such sale, grant or other conveyance expressly recognizes that the right or option being sold, granted or otherwise conveyed thereby is junior and subordinate to the right granted to Morrell by this Section 3(b). In order for Morrell to exercise the right described herein, Morrell shall notify Producer in writing of Morrell's decision to purchase additional Market Hogs, indicating the number (or stating "all") of the additional Market Hogs to be purchased and the time period for which the notice shall be effective. All such additional Market Hogs shall be then purchased under the same terms and conditions as those Market Hogs required to be sold by Producer under the terms and conditions of this Agreement. Nothing in this Section 3(b) shall be construed to require Producer to deliver or sell any Market Hogs to Morrell other than those that Producer has raised and has available for sale.

(c) Producer represents and warrants to Morrell that the Projection Certificate dated and effective as of the date on which this Agreement was executed and delivered by the parties is true, accurate and complete in all respects.

(d) Producer shall be entitled at any time and from time to time after the date of this Agreement (but not more than four (4) occasions during any period of the Term or any renewed or extended term of this Agreement consisting of 52